



CANNON BUILDING  
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STATE OF DELAWARE  
**DEPARTMENT OF STATE**

DIVISION OF PROFESSIONAL REGULATION

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PUBLIC MEETING MINUTES:	<b>COUNCIL ON REAL ESTATE APPRAISERS</b>
MEETING DATE AND TIME:	<b>Tuesday, August 10, 2010 at 9:30 a.m.</b>
PLACE:	861 Silver Lake Boulevard, Dover, Delaware <b>Conference Room A</b> , second floor of the Cannon Building
MINUTES APPROVED:	<a href="#">September 21, 2010</a>

**Members Present**

Brad Levering, Chair, Professional Member  
Gary V. Parker, Vice Chair, Professional Member  
Stephen Huston, Professional Member  
Ronald Mandato, Professional Member  
Frank Long, Public Member

**Division Staff/Deputy Attorney General**

Kay Warren, Davison Deputy Director  
Patricia Davis-Oliva, Deputy Attorney General  
Nicole Williams, Administrative Specialist II

**Members Absent**

William Diveley, Professional Member  
Linda Carter, Public Member

**Others Present**

Chris Whitfield

**Call to Order**

Mr. Levering called the meeting to order at 9:40 a.m.

**Review and Approval of Minutes**

The Council reviewed the June 15<sup>th</sup> meeting minutes as the Council did not have a quorum for July therefore there were no July minutes for review. Mr. Mandato made a motion to accept the minutes as submitted, seconded by Mr. Parker. Motion carried unanimously.

### **Unfinished Business**

#### **Strategic Planning: Assessors Regulations for Discussion – Stricken 8/9/10**

The Council struck this as they were not prepared to discuss at this current meeting.

#### **Nest Subcommittee Meeting Date - TBD**

The subcommittee members advised that they will determine a date and notify Ms. Williams for public notice with a tentative date before the September full Council meeting.

#### **Status of Complaints**

Mr. Levering advised the Council that complaints 19-07-09 and 19-14-09 have been sent to the Attorney General's office for further investigation.

#### **Rescind of Decision for Final Denial for Alan H. Desrosiers: Request for Hearing**

Ms. Williams advised the Council that Mr. Desrosiers, as per Mr. Collins, the Division Director, be given the opportunity to have a hearing since Mr. Desrosiers never received the certified copy of the propose to deny letter. Ms. Williams further advised that the Council needed to rescind their final denial motion to allow for Mr. Desrosiers to request a hearing.

Mr. Parker made a motion to rescind the final denial motion from the June meeting, seconded by Mr. Mandato. Motion carried unanimously. Ms. Williams advised that Mr. Desrosiers advised that he would like to have a hearing for the September meeting. Ms. Williams will properly notify Mr. Desrosiers of the Council's decision and send him a hearing notice for the September meeting.

#### **CMA Language Revised**

Ms. Davis-Oliva advised the council of the copy of the letter from the Real Estate Commission regarding the Commercial Market Analysis statutory language draft proposed by the Commission. The Council reviewed the letter. Chris Whitfield of the Commission approached the Council for discussion.

Mr. Whitfield addressed the Council regarding the proposed changes. Mr. Whitfield advised that the highlighted language in the draft letter is the language the Commission will be proposing.

Mr. Parker addressed Mr. Whitfield regarding specific sections of the drafted language. Mr. Whitfield advised that the Commission copied the language from the Nevada statute. Mr. Huston advised the Council of a letter submitted to Mr. Collins submitted on November 18, 2009 and read the letter to the Council. Mr. Huston advised that the Council proposed to strike subsection 3 in its entirety of §2931 in the Commission statute regarding the third party. Ms. Davis-Oliva advised that regarding the language being simplified it needs to be more detailed in this situation as the Council initially requested in their letter dated November 18, 2009. Mr. Whitfield requested that the Council submit a draft language regarding CMAs/Bops with their exact language so that the language does not contradict the Commissions statutory language. The Council thanked Mr. Whitfield for addressing the Council and provided a copy of the Commissions proposed rule changes as well. There was no further discussion by the Council.

### **New Business**

#### **New Complaints**

Complaint 19-05-10 of New Castle County was assigned to Mr. Levering.  
Complaint 19-06-10 of Kent County was assigned to Mr. Huston.

Correspondence from R. A. Raley, Registered Landscape Architect

Ms. Williams advised the Council of a letter received from Mr. Raley, a Landscape Architect. Ms. Davis-Oliva read the letter to the Council. The Council discussed. Ms. Davis-Oliva advised that a reply letter should be sent to Mr. Raley stating that he needs to file a complaint with the Division as it seems his inquiry is regarding unlicensed practice. Ms. Williams will follow up and send the letter to Mr. Raley.

Annual Appraiser Seminar for September 2010 Flyer and Agenda

Ms. Williams advised the Council that the Annual Appraiser Seminar topic is Real Estate Values and the Environment with speaker, Robert Kleinburd. The date is confirmed for September 14, 2010 at 9:00 am.

Discussion on RE Commission Member that is Duly Licensed as an Appraiser and a Realtor – Stricken from Agenda on 8/6/10

The Council determined that they would discuss this matter at a later time and requested to have it struck from the agenda.

Ratification of Issued Continuing Education Activities

Mr. Huston made a motion to approve the continuing education activities below, seconded by Mr. Parker. Motion carried unanimously.

Robert Kleinburd

Real Estate Value and Environmental Laws – 3 CE hours classroom – Polytech Adult Education Center – 9/14/10

Appraisal Institute

Thinking Outside the Form – 7 CE hours classroom – TBD

Alternative Uses & Cost Valuation of Small, Mixed Use Properties – 16/15 QE/CE hours classroom – TBD

Online Residential Market Analysis and Highest and Best Use – 15/14 QE/CE hours – 1<sup>st</sup> & 15<sup>th</sup> Monthly

General Appraiser Report Writings & Case Studies – 30/28 QE/CE hours classroom – TBD

Income Valuation of Small, Mixed-Use Properties – 16/15 QE/CE hours classroom – TBD

Online Small Hotel/Motel: Limited Service Lodging – 7 CE hours – 1<sup>st</sup> & 15<sup>th</sup> Monthly

Central PA Chapter of the Appraisal Institute

Hotel Appraisal – 7 CE hours classroom – 7/12/10

Commercial Real Estate School of the TriState Realtors Commercial Alliance

Ramp Up Your Brokerage Business – 2 CE hours classroom – 10/27/10 & 10/28/10

Delaware Association of Appraisers

Appraiser as Expert Witness – 7 CE hours classroom – 9/2010 & 10/2010

LIA Administrators & Insurance Services

Loss Prevention Program for Real Estate Appraisers – 4 CE hours classroom – 9/21/10

McKissock, LP

Appraisal Subject Matter Electives – 20 QE hours online

Foundations in Sustainability: “Greening” the RE and Appraisal Industries – 7 CE hours online

Essential Elements of Disclosures and Disclaimers – 5 CE hours online

Appraising and Analyzing Retail Shopping Centers for Mortgage Underwriting – 7 CE hours online

Ratification of Issued Licenses List

Mr. Huston made a motion to ratify the below listing of issued licenses, seconded by Mr. Long. Motion carried unanimously.

Nicholas Fiels – MD, VA (Cert Residential)

James Turlington – VA, MD (Cert General)

Anthony Cirillo: Trainee, Supervisor: Richard Cirillo, Cert Res. – Request to Accept Arizona Appraisal Log Experience

Review of Temp Applications

Mr. Levering inquired if the temp permits are issued without the applicant having to take the Delaware law, rules and regulations course. Ms. Williams advised that they do not have to take the DE law and regulations course to be issued a temporary practice permit. There was no further discussion by the Council.

Review of Temp Permit Application for Jordan Yuter in Kent County

Ms. Williams advised the Council that Mr. Yuter entered into a consent agreement in another state where he is currently licensed. Mr. Huston made a motion to propose to deny Mr. Yuter's application pursuant to 24 Del. C. §4008(a) (2), seconded by Mr. Parker. Motion carried unanimously.

Review of Certified General Reciprocity Application for Patrick Josephs

Ms. Williams advised the Council that Mr. Josephs entered into a consent agreement in another state where he is currently licensed. Mr. Huston made a motion to propose to deny Mr. Joseph's application pursuant to 24 Del. C. §4008(a) (2), seconded by Mr. Parker. Motion carried unanimously.

**Other Business before the Council (for discussion only)**

Ms. Davis-Oliva advised that she drafted the letter requested by the Council regarding the CMA/BPO and it will be placed on State letterhead and mailed out to the appropriate state offices. The Council reviewed the draft letter. Mr. Levering inquired if the word "appraisal" is used in a document and is not a licensed appraiser would that constitute unlicensed practice. Ms. Davis-Oliva advised that it would constitute as unlicensed practiced as delineated in the statute 24 Del. C. §4007(2).

The Council advised of a change to the draft letter. Ms. Davis-Oliva will make the requested changed and submit the letter to be mailed out on state letterhead to the Prothonotary offices Register of Wills, Delaware Bar associations and the Delaware Certified Public Accountants and the Delaware bankers of all three counties.

Ms. Davis-Oliva advised the Council of the Nickel's Superior Court decision in that the Mr. Nickel appealed as he felt that his due process rights were violated. The Court overturned the Council's decision as the final order did not specifically read as a proposal to deny and simultaneously a disciplinary order. Mr. Nickel is allowed to come before the Council again to request a hearing and the Council will be able to impose the same disciplinary action but go through a more stringent procedural process. Ms. Davis-Oliva advised that the Council just

place Mr. Nickel on the next agenda for September and she and Ms. Williams will work together to complete a proper proposal to deny letter.

Mr. Levering inquired about the federally-related transaction value change in the statute. Ms. Davis-Oliva will have this ready for the September meeting.

Mr. Levering inquired about the DE laws rules and regulations course as a requirement to initial licensure. Ms. Williams advised that at this current time no applicant either initial or reciprocal has to take the Delaware law, rules and regulations course. Ms. Davis-Oliva advised that this requirement for licensure would require a statute change. She advised to put this topic on for the September agenda for discussion. Ms. Williams will place this on the agenda for September.

Mr. Levering inquired about Appraisal Management Companies (AMC) and the current statute. Mr. Mandato briefed the Council and Ms. Davis-Oliva what constitutes an AMC. Mr. Levering advised that the subcommittee has been reviewing other State's statutes regarding regulating AMCs. Ms. Davis-Oliva will research this issue and come back to the Council with her findings.

Mr. Parker advised that with the assessor regulations change occurring to include an assessor as a member of the Council. Ms. Davis-Oliva advised that would require a statute change as well. Mr. Huston advised additionally to have a professional appraiser member on the Commission as currently the Council is required to have a professional member that is an appraiser and broker. There was no further discussion by the Council.

Mr. Levering advised that the Council has two new members that will be able to attend the September meeting.

#### **Public Comment**

Ms. Warren commended the Council for being proactive in their development of drafting regulations for the licensing/certification of assessors.

#### **Next Meeting**

The next meeting is scheduled for September 14, 2010 at 1:30 p.m. in Conference Room B, second floor, Cannon Building, 861 Silver Lake Boulevard, Dover, Delaware.

#### **Adjournment**

Mr. Huston made a motion, seconded by Mr. Parker, to adjourn the meeting. With there being no further business before the Council the meeting adjourned at 11:05 a.m.

Respectfully submitted,



Nicole M. Williams  
Administrative Specialist II